

Attachment B



FRUIT PACKERS LLC

WAPATO PLANT FACILITY MAP

12 HOFFER RD.
WAPATO, WA 98951
509.877.4188

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RMP Coordinator
US EPA Region 10
1200 6th Ave., Suite 900, OCE-084
Seattle, WA 98101

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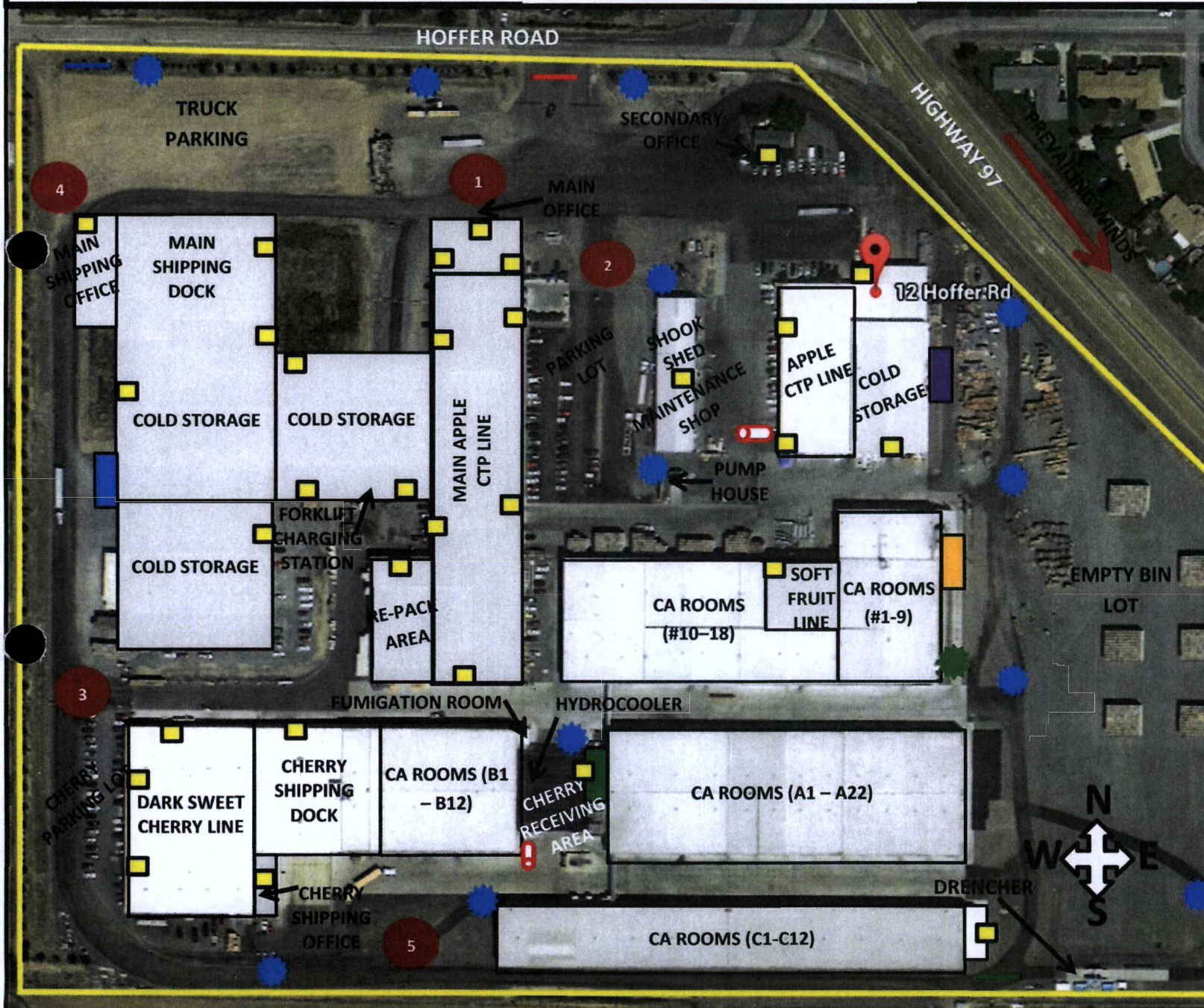
MAP LEGEND

- = Office emergency meeting area
- = Apple Packing emergency meeting area
- = Cherry Packing emergency meeting area
- = Shipping emergency meeting area
- = Maintenance/storage emergency meeting area
- = Freon Room 1
- = Ammonia Room 1
- = Ammonia Room 2
- = Ammonia Room 3
- = Scrubber Room
- = Propane Tanks
- = Fire Hydrants
- = Liquid Nitrogen
- = Main Gate
- = Trucker Gate
- = South Gate
- = Property Line
- = Emergency Exits



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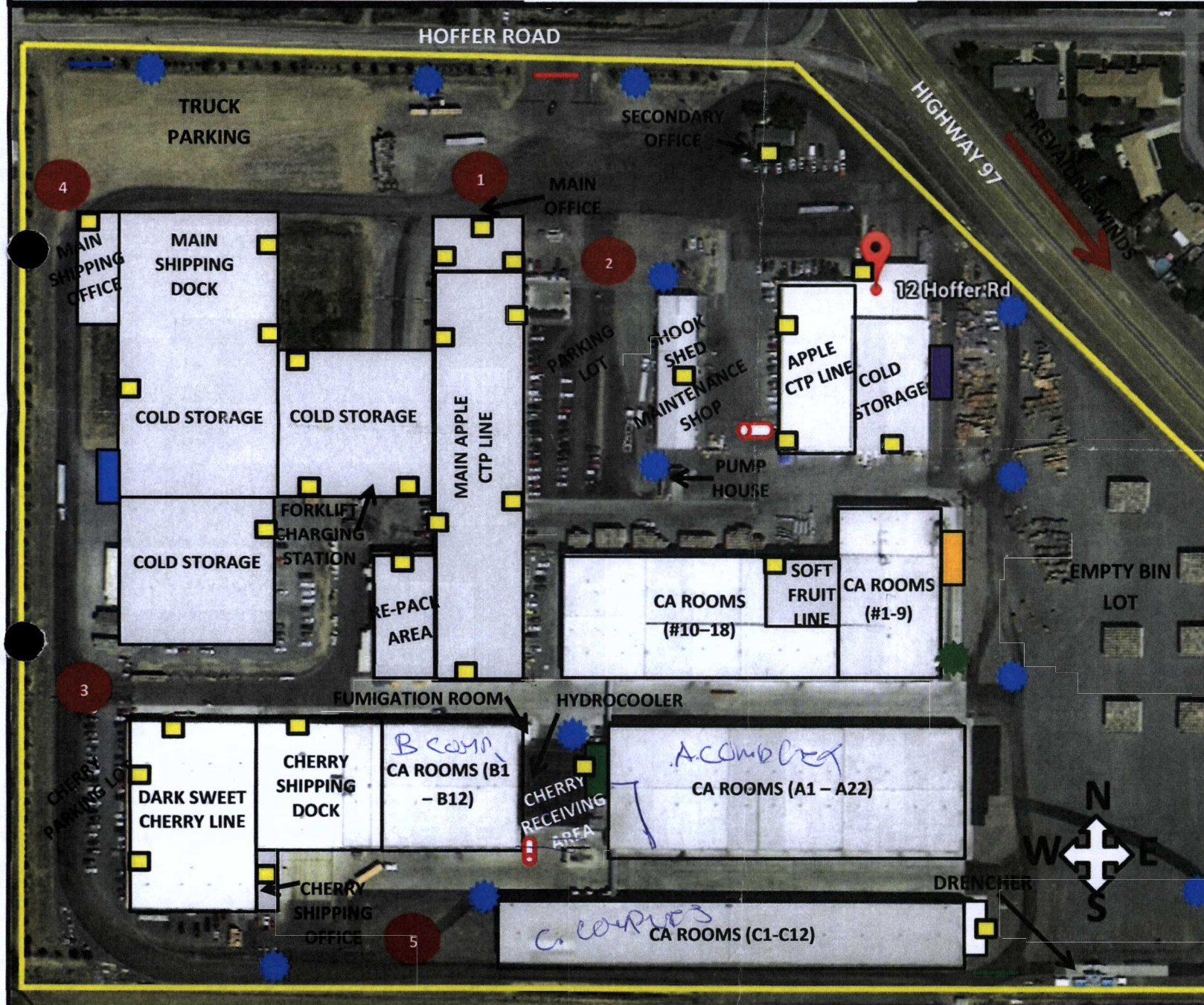


MAP LEGEND

- 1 = Office
- 2 = Apple Packing
- 3 = Cherry Packing
- 4 = Shipping
- 5 = Maintenance/
storage emergency meeting area
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Attachment C

Warehouse Employee Orientation

Department Name: _____ Trainer/Manager/Supervisor Name: _____

Job Position: _____ Employee Name: _____ Date: _____

❖ **The Following Topics should be reviewed with the employee prior to starting work. (Please Have the employee sign the "Training Completion Acknowledgement Form" and turn into the office)**

Company Policies & Procedures:

- **Employee Handbook:** (Review handbook that is included in your new hire packet.)
 - **Employment Basics:** (Evaluation period, compensation, overtime, etc.)
 - **Time Keeping/Payroll:** (Clocking in/out, payday, direct deposit, etc.)
 - **Company Property:** (Parking, Lunchroom, Lockers, Vehicles, etc.)
 - **Performance:** (Appearance, Attendance, Appraisals)
 - **Disciplinary Policy:** (4 Step Procedure: Verbal, 1st Written, 2nd Written, Termination)
 - **Status Change:** (Transfers, Promotions, Separation)
- **Job Description:** (Review the job description; ask trainer for a copy if not provided)
 - Employee responsibilities, physical and mental abilities, workplace conditions, etc.
- **Food Safety Rules:** (Review food safety rules included in the packet)
 - Hand washing rules, fruit contamination, audit process, etc.

Workplace Locations:

- **Information Board:** (Employee Rights Posters, Company Newsletter, Complaint/Suggestion Box)
- **General Site Locations:** (Locations Shown during facility tour)
 - Bathroom, drinking fountain, lockers, etc.
 - Office, Parking, Lunchroom, off limit areas
- **General Site Hazards:** (Busy areas, equipment, machinery, etc.)

Emergency Action Plan:

- **Types of Emergencies:** (fire, gas leaks, chemical spills, security, etc.)
- **Safe Gathering Areas:** (Locations shown on evacuation maps near exits)
- **Responding & Reporting:** (During an emergency or accident follow below steps)
 - Reporting: Call supervisor with first aid kit to respond to the situation; call 911, state name/location
 - Responding: First Aid card holders are present at each department

Training: (Depending on your job, you may receive additional training in one or more of the following areas)

- **Workplace Health and Safety**
 - Hazard Communication: (Chemical Awareness, Chemical Handler Safety, etc.)
 - Equipment/Machinery/Vehicle Safety: (Confined Space, Authorized Entry, Energy Control Procedures, etc.)
 - Personal Protective Equipment: (Required PPE's, Hearing Conservation, Fall Prevention, etc.)

Questions/Comments/Concerns: (Ask trainer or manager any question you might have after the orientation training)

Notes: _____

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FRUIT PACKERS LLC



SELAH: (509) 697-7208 • WAPATO: (509) 877-4188 • P.O. BOX 8 • WAPATO, WA • 98951

EMPLOYEE ACKNOWLEDGMENT

ACKNOWLEDGEMENT OF RECEIPT AND UNDERSTANDING OF TRAINING COMPLETION

I acknowledge that I have received training regarding the employee handbook, job description, food safety, workplace safety, workplace locations, emergency action plan and various other job specific training. I agree to abide by the principles that were explained in this training. I understand that if I have any questions that were not addressed in training or if I encounter any problems, I can contact my supervisor or the company's Human Resource Officials.

(Department Name)

(Trainer's Name)

(Print Employee's Name)

(Employee Number)

(Employee's Signature)

Location: ____ Selah ____ Wapato Date of Completion: _____

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Subject: Employee Orientation Training
Updated 5/12/14

Important Basic Rules

1. Arrive at least 15 minutes early so you can punch in and be ready to work when your shift starts.
2. If you are sick, call in 4 hours or more before shift starts each day you will be absent
3. 2 consecutive days "no call no show" is considered a Quit or Job abandonment and you will be ineligible for Unemployment.
4. The speed limit while on property is **10 MPH**. If you are caught speeding on property, you will be sent home for the day and possibly terminated.
5. Do not leave early without permission from YOUR supervisor.
6. No personal cell phones, music, video or game devices permitted while working. These devices will be temporarily taken and you will be written up according to company policy.
7. You are not allowed to wear hoodies, only caps in the cold room.
8. Observe all of our safety rules and wear required Safety Equipment or you will be sent home for the day.

Food Security

1. Please notify your supervisor if you notice an employee taking suspicious actions or visitors/contractors that appear out of place.
2. No personal items allowed in the packing area.
3. Prescription medicine must be kept locked in employee's car until needed.
4. Employee must notify Human Resources of any prescription that may cause drowsiness, dizziness or blurry vision or ensure the safety of employee or others.
5. To ensure our food security, you will not be able to work until you are wearing your ID badge.
6. If you lose your badge, the replacement cost is \$5 before you are allowed to work. You will be sent home if you do not have cash to pay for the replacement badge.

Food Safety

1. All hands must be washed or disinfected before beginning work.
2. All hands must be washed after using or entering restrooms.
3. Wash hands at any time you feel that you have something on them that can contaminate the fruit. Examples of this are wiping nose, handling dirty items, etc.
4. Valley Fruit has installed hand sanitizers at each line but encourages everyone to wash their hands first as this provides much better protection from dirt and bacteria.
5. If you have eaten any peanuts or other nuts, it is important to wash your hands. Hand sanitizer is not sufficient.
6. If you are bleeding in any way, step away from equipment and notify supervisor. If you cannot notify supervisor, ask a co-worker to notify the supervisor for you.
7. If you notice any blood or any other foreign material on the food surface notify the supervisor so that proper cleanup procedures can be applied.
8. You are only allowed to use a blue Band-Aid for bleeding or open wounds. Supervisors have these and will need to check one out to you along with a glove to keep you from losing it. Before you leave you must show it to your supervisor. If you lose it, tell a supervisor immediately so we can stop the line and find it. If you neglect to do either of these, you can be terminated.

9. Any person who has an infectious illness, diarrhea, open lesion, boils, sores or infected wounds must report that condition to the supervisor.
10. Do not put gloves on chairs, etc. that can cause contamination upon removing from hands.
11. Replace your gloves regularly and any time you feel they have become too dirty for further use.
12. Gloves, aprons and other items should never be placed on fruit at any time. Hang aprons and gloves on provided coat racks outside the packing room.
13. Clothing must be clean at the beginning of each day.
14. Clothing must be of a type that does not contribute foreign material to the product, i.e.: Fuzzy sweaters, tassels, etc.
15. All clothing not being worn or other personal belongings must be stored away from production area, any packaging storage areas, or fruit storage areas.
****Valley Fruit in not responsible for lost or stolen personal items. Don't bring anything of value to work if you don't want to risk it being stolen.**
16. The **only jewelry allowed is a single flat wedding band** without any sort of stone or any sort of projection. The wedding band must be clean. You must use gloves to cover it as well.
****No nose rings, lip rings, watches, bracelets or necklaces permitted.**
17. Tobacco products and eating (even apples and pears) is prohibited except in designated areas. Candy and chewing gum is also prohibited except in designated areas. In all cases, food and tobacco must be kept out of packing, stacking and storage areas.
18. All beverages, including water bottles, are prohibited in the food packing or shook areas.
19. Glass and hard plastics remains one of the most serious hazards to a food processing operation. It is prohibited to bring any glass or hard plastic items into the production area. Please report any broken glass, light bulbs, broken plastic of any type, computer screens, etc. to the supervisor as quickly as possible.
20. Employees should take all other necessary precautions to protect against contamination of food, food contact surfaces, or food-packaging materials with microorganisms or foreign substances including, but not limited: perspiration, hair, cosmetics, chemicals, and medicines applied to the skin.
21. All fingernails must be kept short and clean. If your fingernails are kept longer or you wear false fingernails or fingernail polish, gloves must be worn at all times when handling fruit.
22. All packaging, packed fruit and equipment shall be placed at least 18" from all walls to prevent pest harborage. All doors must remain closed, if possible, to prevent pest entry.
23. All boxes, bags, pads or other items need to be kept off the floor and on a clean pallet.
24. Packaging materials may be used for non package purposes if they are clearly marked "not for fruit use" or some other specific use.
25. Do not stand or sit on any packaging material.
26. Never use the tops of garbage cans to store or lay any fruit or packaging materials.
27. All containers need to be marked as to purpose.
28. **All fruit that falls on the floor is to be put into the garbage.** Do not put into culls or peelers.
29. All PVC pusher bars must be kept up off the floor and stored properly.
30. Do not put personal items, knives, etc. above the level of fruit so that it can fall into the fruit.
31. All safety knives used for opening packaging, straps, etc. must be checked out from your supervisor & returned each shift. If you lose a safety knife, you will be charged \$5 to replace it.

General Employee Safety

1. All forms of harassment & threats are **STRICTLY PROHIBITED**. Please report any harassment and/or threats to your supervisor or HR. Confidentiality will be maintained if at all possible.
2. Gang activities will not be tolerated and the authorities will be called to remove you immediately. We do not allow anything that creates a hostile work environment.
3. Fighting is prohibited. Person(s) who initiate a fight are subject to immediate dismissal.
4. Report any job-related injury, illness or property damage to a supervisor immediately.
5. If you notice anyone that has been seriously injured, do not move them unless they are in additional danger and that danger cannot be removed. Notify a supervisor immediately so that proper medical personnel can be called.
6. Report any unsafe situations to supervisor immediately.
7. Make sure all guards and protective devices are in their proper places prior to operating equipment.
8. **While on property Valley Fruit Property** All Forklifts and Cars will be operated in a responsible manner that provides a safe environment for fellow employees.
9. Forklift drivers must Shut off and set the park brake before getting off the forklift.
10. Employee should only operate equipment that they have been trained on and have been authorized to use.
11. All employees doing lifting, pushing, or any other activity potentially harmful to their backs should be aware of proper lifting techniques. Lift with the legs instead of the back.
**If you can't lift it with your legs.....then it is too heavy.....ask for assistance.
12. No smoking except in the parking lots. Smoking is forbidden while driving forklifts or working within 250 feet of propane tanks. ****If you are caught smoking in a non-smoking area, on or near forklifts or propane tanks, you will be disciplined up to and including termination.**
13. A 5 foot radius must be maintained clear of obstacles around all fire equipment and evacuation routes for fire safety. This includes forklifts and golf carts.
14. Keep aisles, walkways and working areas clear of potential slipping and tripping hazards.
15. Observe all hazard warning signage.
16. Running in the warehouse is prohibited.
17. Clothing cannot hang loose in any manner. Shoes must enclose entire foot and heels must be less than one (1) inch. A shirt must be worn at all times.
18. Hair must be shoulder length or shorter. If hair is longer than shoulder length then hair must be put up in a bun.
19. Employees will not walk in front of forklift doors as it is likely to expose them to injury. Use the personnel doors whenever possible. Make eye contact with forklift drivers to be sure that they see you before proceeding near a forklift.
20. Do not come to work under the influence of, or after having used alcohol, illegal drugs. If you have to take any over the counter or prescription drugs that may make you feel unsafe doing your normal job, notify your supervisor or HR immediately. Upon reasonable suspicion, any employee may be required to undergo blood/urine testing as a condition of continued employment.

Personal Protection Equipment Requirements:

- All forklift drivers and workers in forklift areas **MUST** wear safety vests including cold room workers. They will be provided and must be returned at the end of your employment. If you lose one for any reason, **you will be required to pay \$15 to replace it** or you will not be allowed to work until you have one. Worn out vests can be replaced at no cost.
- All workers on the stem slicer platform are required to wear hearing protection and safety eyewear at all times.
- All box machine people must wear safety eyewear at all times.

HAZARD COMMUNICATION

Valley Fruit is required by law to have written information about hazardous chemicals that is available for you to look at during working hours. SDS documentation is located in the main office and the control room.

Fire drills will be conducted annually. This is for preparation of a fire or ammonia leak.

Basic Fire Safety

1. Know location of fire exits.
2. If a fire occurs, proceed to the closest exit unless directed by supervisor to take another route.
3. Do not attempt to put out the fire yourself.
4. Go directly to the designated meeting area so your supervisor can take roll call. We want to make sure everyone is out of danger. This will also keep you out of the way of emergency vehicles.
*After you have been cleared, leave the premises immediately.
5. Direct all media statements to Human Resources or the CEO.

Basic Ammonia Safety

1. Please be familiar with all ammonia lines, they will either be yellow or orange or have a decal stuck on the pipes.
2. Ammonia has a very strong smell and is easily recognizable. Ammonia causes "acute inhalation toxicity" by displacing the oxygen from the area. If you think you smelled ammonia, report it to a supervisor or anyone with a radio or phone as quickly as possible, don't second guess yourself.
3. Every engine room has an audible alarm for ammonia leaks as an extra precaution.
4. If the leak is **in your area Evacuate** to nearest unaffected exit immediately.
5. If the leak is **NOT** in your area, **stay where you are** until you are told where to go.
6. Go directly to the designated meeting area so your supervisor can take roll call. We want to make sure everyone is out of danger. This will also keep you out of the way of emergency vehicles.
*After you have been cleared, leave the premises immediately.
7. Do not take any action other than those described above unless assigned a specific task in the Ammonia Response Plan.
8. Direct all media statements to Human Resources or the CEO.

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Valley Fruit Ammonia Detector List - By Location

Identification No.	Location:	Manufacturer:	Model No.	Serial No.
1	Engine Room 1 Electrical Room	Cool Air Inc.	LBW-420	
2	East Wall Old Mezzanine Entrance	Cool Air Inc.	LBW-420	
3	East Wall Old Mezzanine Entrance	Cool Air Inc.	LBW-420	
4	Inside CCR Panel 2 @ ER1 Sample Rm.	MST Satellite	FTT/R	18964
5	Room 11 Catwalk	Cool Air Inc.	LBW-420	
6	Room 15 Catwalk	Cool Air Inc.	LBW-420	
7	Room 18A&B Catwalk	MST Satellite	FTT/R	
8	Room 18A&B Catwalk	MST Satellite	FTT/R	1210312
9	Refrigeration Control Office @ CCR 1	MST Satellite	FTT/R	18963
10	Refrigeration Control Office @FirstAid	Cool Air Inc.	LBW-420	
11	A Complex Hallway Entrance Door	Cool Air Inc.	LBW-420	
12	A Complex Hallway Entrance Door	Cool Air Inc.	LBW-420	
13	A Complex Hallway Entrance Door	Cool Air Inc.	LBW-420	
14	Inside CCR Panel 11 @ B Complex	MST Satellite	FTT/R	11591
15	B Complex Hallway Entrance Door	Cool Air Inc.	LBW-420	
16	Cherry Shipping Dock Catwalk	MST Satellite	FTT/R	45339
17	Cherry Shipping Dock Catwalk	MST Satellite	FTT/R	0710735
18	Cherry Packing Room South Wall	Cool Air Inc.	LBW-420	
19	Cherry Packing Room Platform South	Cool Air Inc.	LBW-420	
20	C Complex North Catwalk Entrance	Cool Air Inc.	LBW-420	
21	C Complex North Catwalk Entrance	Cool Air Inc.	LBW-420	
22	Inside CCR Panel 22 @ C Complex	MST Satellite	FTT/R	39880
23	ER1 Control Room East Wall	Manning Inst.	EC-P1	
24	ER2 Control Room East Wall	Manning Inst.	EC-P2	0512
25	ER3 West Wall	Cool Air Inc.	LBW-420	
26	ER3 West Wall	Cool Air Inc.	LBW-420	
27	Shipping Dock Center of Room	Honeywell	FTT/R	
28	Packed Fruit Room 34 / 35	Honeywell	FTT/R	
29	Packed Fruit Room 36 / 37	Honeywell	FTT/R	
30	Packed Fruit Room 38 / 39	Honeywell	FTT/R	

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Legacy Fruit Packers, LLC

and Related Orchard Entities:

Larson Orchards

Valley Fruit Orchards

Clearstone Mesa Orchards

We are what others
strive to be:
Excellence in Action

Employee Handbook

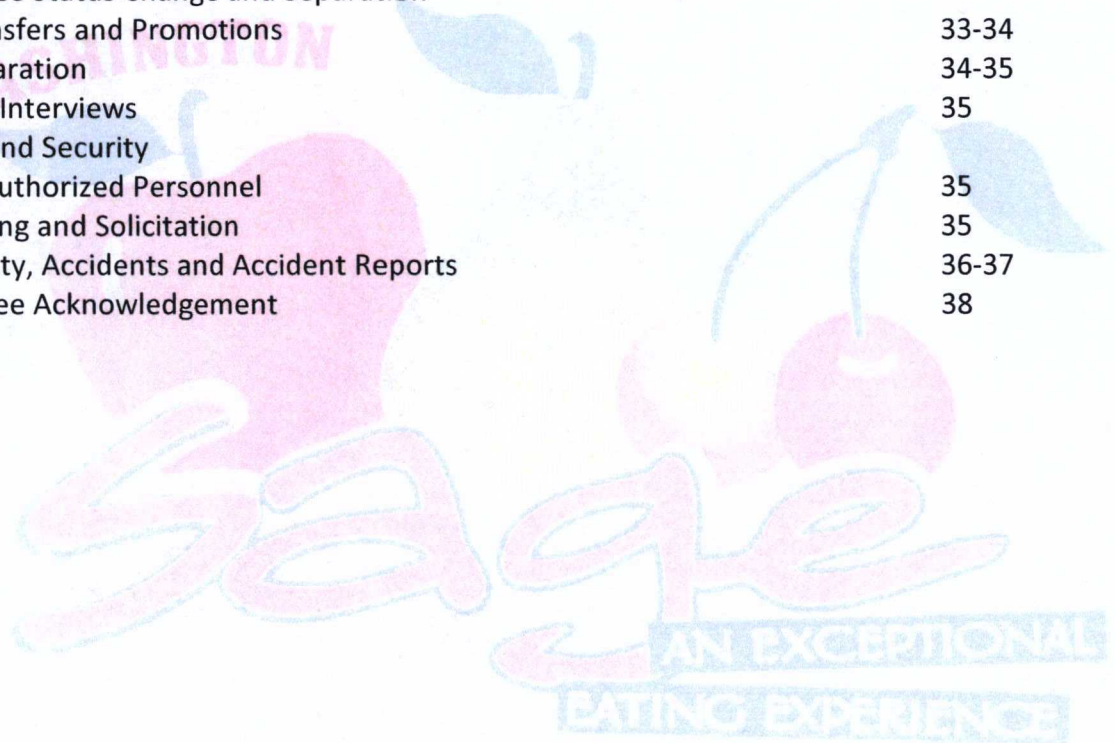
January 2015

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Welcome! Legacy Fruit Packers, LLC (Legacy) is a joint, multi-family-owned warehouse with related party orchard operations, who is admired for greatness through our commitment to quality, innovation and service. We strive to remain competitive and profitable by living our values every day. We are:

"EXCELLENCE IN ACTION"

We know that the talents and skills of our employees are our principal resource. In recognition of this invaluable contribution, we have developed sound, competitive, and comprehensive policies and programs in order to provide an excellent working environment.

This handbook summarizes our policies and programs and will serve as a helpful guide in understanding what we can expect from each other. Please read it carefully and keep it for future reference. If you have specific questions, or need clarification on any information contained in this handbook, please see your supervisor.

Our success depends upon us working together in a spirit of teamwork. Together we can satisfy our customer and growers needs and enjoy a mutually rewarding working relationship.

Sincerely,

Dean Gardner
Chief Executive Officer

MISSION STATEMENT

To grow, pack and ship high quality fruit for our customers in order to enhance our community and provide opportunities for our employees and growers.

VISION STATEMENT

Excellence in Action

VALUES

Accountability

Personal responsibility for delivering desired results.

Innovation

We continuously look for ways to creatively improve.

Integrity

We do the right thing, even when no one is watching.

Passion

We earnestly care about outcomes and perceptions of others.

Pride

We always do our best.

Respect

We practice the "Golden Rule".

Teamwork

We work together to achieve common goals—no barriers.

PURPOSE OF THIS HANDBOOK

At Legacy, we believe it is important to keep employees fully informed about company policies. We want each employee to understand what he or she can expect from the company as well as the obligations assumed as an employee. The policies and practices described in this handbook reflect a great deal of care and concern for the people who make it possible for Legacy to exist, our employees.

The intent of this handbook is to provide all employees, in both our warehouse and orchard operations, with a basic outline of the programs, policies, and benefits available to our employees. We recognize that there may be differences between the warehouse and orchard environments and have distinguished them when necessary.

These policies may change with time or they may need to be clarified, amended, supplemented, or rescinded. Therefore, the employer reserves the right to modify, rescind, delete or add to the provisions of this handbook as well as any of its other personnel policies and practices from time to time as the company deems necessary or appropriate.

Benefits are more accurately described by applicable summary plan descriptions (SPD) and benefit booklets. These documents are consistently reviewed and modified as the need arises. Should any differences be noted between this handbook and summary plan descriptions or benefit manuals, the language of the SPD or benefit manual will prevail.

Equal Employment Opportunity

All employees and job applicants are guaranteed equality of employment opportunity. Legacy will not discriminate against any worker or applicant on the basis of race, color, creed, religion, sex, sexual orientation, age, national origin, disability, marital or veteran status.

All recruitment, selection, placement, training and layoff decisions made by Legacy will be based solely on the job-related qualifications and abilities of the candidates. In some cases, length of service may be considered in the selection process.

All employees who apply for a promotion or a transfer will be given equal consideration. Assuming that an opening exists, the qualifications of candidates for a promotion or transfer will be assessed solely on the basis of an individual's ability, merit as demonstrated by the employee's performance record and length of service as Legacy deems it relevant.

All other personnel policies and practices of Legacy, including compensation, benefits, discipline, safety and health programs, as well as social and recreational activities, will be administered and conducted without regard to any individual's race, color, creed, religion, sex, sexual orientation, age, national origin, disability, marital, or veteran status.

COMMUNICATION IS KEY

General

Legacy wants you to be well informed concerning your workplace, safety rules, new developments, changes in policies, and your rights under state and/or federal law. We will keep you advised through your supervisor, notices posted on bulletin boards, employee meetings, or by issuing revisions to this handbook or other policy documents. Other general distribution memos and email messages are also utilized for rapid dissemination of information.

Open Door Policy

Legacy is committed to maintaining a positive and professional environment in which to work and believes in an open door policy.

You are encouraged to see your immediate supervisor with suggestions, questions, or problems relating to your job. Your immediate supervisor's assistance may involve securing the assistance of other resource persons. If you do not feel comfortable speaking to your immediate supervisor, please contact Human Resources (HR), the Chief Financial Officer (CFO), or the Chief Executive Officer (CEO).

You should use this procedure without fear of reprisal. All communications, both within and outside of the company, must be respectful and professional at all times.

CONFIDENTIALITY

The protection of confidential company information is vital to the interests and the success of Legacy. As employees of Legacy, we must respect the confidence which we are entrusted and ensure that all information and data at Legacy is handled with care and control at all times.

Every employee shares the obligation to be sure confidential information is not improperly or accidentally used or disclosed. Strict compliance with Federal confidentiality statutes is mandatory.

EMPLOYMENT BASICS

INITIAL EVALUATION PERIOD

The first 500 hours of hourly employment (or approximately 90 days) are designated as an initial performance evaluation period. During this time period the employee's supervisor is assessing the employee's ability to learn and perform the essential functions of the job for which the employee is to do. Eligibility for various benefit programs will be delayed, pending a satisfactory evaluation report from the supervisor. We do not promise continued employment either during or after the initial evaluation period, and the employment relationship continues to be at-will.

Employees who leave employment for any reason, and are rehired at any point, will start over on their 500 hour performance evaluation period.

EMPLOYMENT CLASSIFICATIONS

This information is provided so that hourly employees understand their employment status and eligibility for company provided benefits such as vacation accrual and holiday pay. Other restrictions may apply to benefits such as health insurance and 401(k) participation. Employees should consult HR directly for questions related to these benefits.

All employees are hired for an unspecified duration. These classifications do not guarantee employment for any specific length of time. Legacy and employee retain the right to terminate employment at any time, without reason or notice.

1. **Full-time Employee:** An employee who is hired to work on a regular and predetermined schedule of at least 30 hours per week. Full-time employees are eligible for certain benefits once they satisfy the terms and conditions of the prescribed waiting periods.
2. **Part-time Employee:** An employee who is hired to work on a regular and predetermined schedule of less than 30 hours per week. A part-time employee is eligible for certain reduced benefits once they satisfy the terms and conditions of the prescribed waiting periods.
3. **Casual, Temporary or Seasonal Employee:** An employee who is hired on a temporary basis, such as during our harvest season, with the expectation that he or she will be employed for a finite period of time. Such employees may also be hired to complete a specific job or project. Casual, temporary or seasonal employees are not offered any additional benefits.

MINIMUM WAGE, OVERTIME, AND RECORDKEEPING REQUIREMENTS

As a general rule, employees are within the coverage of the minimum wage, overtime, and record keeping provisions of state and federal law. Unless specifically exempted, employees must receive at least minimum wage for all hours worked and overtime compensation paid at the rate of one and half times the employee's regular hourly rate for all hours worked in excess of forty hours within a work week. Orchard employees are specifically exempted from overtime compensation.

All hourly employees are responsible for the accuracy and completeness of their time worked. Any additions, corrections or changes to an employee's time must be approved by his or her supervisor. Timekeeping records are the property of Legacy. Unauthorized removal, alteration, or falsification of any time record is strictly prohibited and will subject the employee to discipline, up to and including immediate termination of employment.

In warehouse operations only, while we strive to provide advance notice of overtime scheduling, this may not always be possible. Legacy reserves the right to alter scheduling and require mandatory overtime. You may not refuse to work assigned overtime. The employee's supervisor or department head must approve all overtime worked by an employee at Legacy. Unauthorized overtime or other violations of this policy are subject to discipline, up to and including immediate termination of employment.

Exempt (salaried) employees are excluded from the specific provisions of state and federal law requiring overtime pay, minimum wage, and record keeping. Any questions in regards to an employment classification of exempt and non-exempt should be addressed with the CEO or CFO.

COMPENSATION

When you begin work, you are told of your rate of pay. Legacy strives to pay competitive wages based on comparable market data. Changes in compensation may be tied to overall

job performance AND are solely at the discretion of the CEO or CFO. No other Legacy employee can communicate or grant a pay increase without the approval of the CEO, CFO or his/her designee.

1. **Pay Periods and Paydays:** Generally, warehouse paydays occur every Wednesday for regular, hourly employees. Orchard paydays occur either Thursday or Friday, depending on the orchard location. On pay day, employees are paid for hours worked the previous week. Exempt (salaried) and office employees are paid biweekly for the previous two weeks.

Automatic deposit of payroll is required in all warehouse operations and for orchard management; it is strongly encouraged for all other employees. Unless prior arrangements are made, paychecks not picked up at orchard locations within one week will be returned to the main office. ID must be presented when picked up. Paychecks will only be given to the employee being paid unless a request is made in writing and approved ahead of time. ID must be presented by the person authorized to pick up the check.

2. **Payroll Deductions:** The following deductions from paychecks are required by law: FICA (social security), federal income tax, and all other applicable state and federal taxes, including the employee portion of the industrial insurance premium. Legacy will honor administrative and court orders for garnishment or wage withholding pursuant to state and federal law. Any other payroll deductions will require written authorization. An example of such deductions includes deductions for the employee portion of any insurance premiums. As part of the new hire process, all new employees will complete and sign a payroll waiver as written permission for Legacy to make deductions from an employee's paycheck.
3. **On-call Pay (warehouse only):** When employees are laid off, they will be given instructions requiring them to call a specific telephone number, at specific times, with instructions on when their next shift will start. Based on production needs, the call-in process may begin with qualified employees regardless of seniority or number of hours worked previously in that week; qualifications necessary will be determined by the supervisor/manager. Employees notified, whether they called or were called, are expected to report to work timely. If they are unable to do so because of illness, the time will be counted under the attendance policy. Employees who refuse to report for work will be considered to have an unexcused absence.

Employees will have at least two hours to report to work. On a call-in, at least two hours will be paid beginning with the time the employee is scheduled to begin, whether work is performed or not. If work is performed, four hours will be paid.

If the electric power or water supplies are interrupted, or there is a machinery breakdown beyond the control of the company, employees will receive a minimum of

two hours of pay, whether they work or not. If employees work more than two hours, but less than four, they will be entitled to a minimum of four hours pay.

Employees will be paid for time during which they are required to stand by. In case of a breakdown beyond the control of the company or interruption of electric power or water supply the company may, to avoid stand by time, declare an unpaid break at half hour increments, not to exceed two hours.

WORK WEEK AND SCHEDULING

The basic day of work for full-time employees is eight hours, exclusive of a 30 or 60 minute meal period, depending on the job. Various factors such as workloads, operational efficiency and staffing needs, may require variations in the employee's starting and quitting times and total hours worked each day or each week. Thus, Legacy reserves the right to assign employees to jobs or shifts other than their usual assignment when required. Additionally, employees may be required to work overtime or hours other than those normally scheduled whenever necessary. Punctual and consistent attendance is a condition of employment at Legacy.

The employee's supervisor will establish the employee's work schedule based on departmental needs. Employees are expected to work all of the hours and days assigned. Employees are also expected to be at their workstations ready to work at the beginning of their assigned shift.

Personal schedules should be arranged to accommodate established working hours. Requests for changes in schedules or for particular days off must be made ahead of time and approved in advance by the employee's supervisor. Employees must call in to their supervisor if they are not going to make it in to work for the day, or if they are going to be tardy for their shift. These calls should be made far enough in advance to maintain adequate staffing levels. Employees absent for two days that have not contacted their supervisor will be deemed to have abandoned their position from Legacy.

REST AND MEAL PERIODS

All non-exempt employees receive one paid 15 minute break for each four hours of working time. Ideally, the break will occur near the midpoint of each four-hour work period. Break periods may not be used to work overtime or leave work early.

If non-exempt employees work more than five hours in a day, they are required to take a meal break two to five hours in to their shift. The normal meal break is a 30 or 60 minute unpaid period depending on the job. This is a period of time in which you are free of all work duties. If you work three or more hours of overtime beyond your scheduled shift, you will have an additional meal period before or during your overtime period. Scheduling rest and meal breaks will be coordinated by your supervisor.

OVERTIME

In warehouse operations only, the regular work week is 40 working hours, but as business needs dictate, mandatory overtime may be assigned. Overtime is paid to all hourly employees at the rate of one and a half (1½) times the regular rate of pay for all hours actually worked over 40 hours in one work week. Vacation, holiday and similar nonworked hours are not considered when calculating hours for overtime purposes. Exempt salaried and orchard employees receive no overtime compensation. Although we strive to provide advance notice of overtime scheduling, this may not always be possible.

Hourly employees must begin work no earlier than five minutes before their shift starts and end work no later than five minutes after their shift ends. Employees may not report earlier or stay later without the specific advance approval of their supervisor. Unauthorized overtime or other violations of this policy are subject to discipline, up to and including immediate termination of employment.

EXPENSE REIMBURSEMENT

Reimbursement for business expenses incurred with personal resources will be made at the end of each month for the previous month. All expenses submitted for reimbursement should be preauthorized before they are incurred. All expense reports must be initialed by the immediate supervisor/manager before a check is issued.

To receive mileage reimbursement for business travel using a personal vehicle, the employee must submit, in writing, the date of the trip, the destination, beginning and ending mileage, and a detailed reason for the trip.

Reimbursement for all other expenses will be made when an original copy of a signed invoice or receipt is submitted and attached to the Legacy Expense Reimbursement form. When meal reimbursement is requested, the back of the invoice or receipt should include the first and last name of all people in attendance, plus a description of what was discussed. Reimbursement will be denied without proper documentation.

Reimbursement requests must be received in the office by the 3rd of the month for the previous months' expenses to be paid timely. Generally, all expense reimbursements will be included with payroll (though not subject to normal income taxes) and paid via direct deposit.

Certain employees may be provided with Legacy company credit cards solely at the discretion of and for the convenience of management. Any employee in possession of a company credit card is expected to submit detailed invoices or receipts as backup to all expenses incurred through their assigned credit card. Any employee found to be using a company credit card for personal use will be subject to discipline, up to and including termination. As with the above reimbursement, invoices or receipts must be submitted by the 3rd of the month for the previous month's expenses.

RECORD KEEPING AND REPORTING

Accurate records of the hours worked ensure that employees will be paid correctly and they will receive full credit for the work done.

In warehouse operations, all nonexempt employees covered by the record keeping provisions of applicable wage and hour laws must use time clocks, located in each work area, to record all hours worked. Any additions, corrections, or changes to time records must be approved by the employee's supervisor. Individual employees are responsible for the accuracy and completeness of the information on their time records, including timely punches into the time clocks. If an employee, for whatever reason, does not punch in or out on the LEGACY time clock, their supervisor needs to be notified immediately. If 3 punches are missed in a one month period of time, the employee will receive a written warning for their personnel file. Continued missed punches will result in further discipline, up to and including termination of employment.

In orchard operations, all nonexempt employees are issued a personal badge containing a unique barcode and must use barcode timekeeping software, to record all hours worked. Corrections or changes to time records must be approved by the employee's supervisor.

Legacy has invested in timekeeping technologies that feed directly into its payroll software. Unpunched/incomplete time cannot be released for payroll purposes. If a situation occurs where unpunched/incomplete time has not been corrected, Legacy payroll personnel will not hold payroll calculations for the remainder of employees. Employees with unpunched/incomplete time may not receive their payroll check timely with other employees who make the effort to ensure timely, accurate data is reflected.

Time records are the property of Legacy. Unauthorized removal, alteration or falsification of any time record is strictly prohibited and will subject the employee to discipline, up to and including immediate termination of employment. No employee is permitted to clock in or out for another employee. All employees found, upon due investigation, to be privy to such action will be subject to discipline, up to an including immediate termination of employment.

EMPLOYMENT OF RELATIVES

It is in the best interests of all involved to keep business relationships separate from personal and familial relationships so as to avoid conflict of interest. Legacy does not employ close relatives, spouses, two individuals living together or involved in a dating relationship, except under circumstances where in the opinion of management, (1) neither employee may supervise, appoint, remove, evaluate the work of, or discipline the other; (2) the parties may not be placed in a situation of actual or reasonably foreseeable conflict between the employer's interest and their own, (3) the relationship will not create the reality or appearance of improper influence or favor. If two employee's develop a relationship after employment and any of these conditions exists, one of the two may be transferred, or if no suitable position is available, discharged. The decision as to which employee will be terminated will be left to Legacy.

PERSONAL INFORMATION AND RELEASE OF PERSONNEL RECORDS

Legacy maintains personnel files for all employees. These files include the job application and related hiring documents, training records, performance evaluation and disciplinary action documentation, a work history including hire date and pay increases, contact information, job descriptions, any deductions taken from pay, garnishments, any letters of commendation, and any other employment records. Pay records are also maintained and kept separate from the personnel file and include the following information; leave of absence forms, vacation and sick time balances, and record of hours worked, etc. Employee medical records are kept in separate files to eliminate unauthorized access or release, to prevent their use as basis for either hiring or firing and to ensure compliance with HIPPA laws regarding confidentiality. There may be an exception for those records pertinent to and arising out of disciplinary actions by the company as a result of employee misconduct, such as failure reports from required drug testing.

Employee personnel records are confidential. Although we are required to comply with subpoenas, court orders and government requests directing us to provide information from an employee's personnel records, generally speaking, without specific written authorization from the individual, no personnel information will be provided. Additionally, as part of the enforcement of court ordered child support payments, employers must report all persons hired or returning from leave or layoff to the Washington State Support Registry, along with relevant details of their employment. All inquiries, requests for reference letters, and requests for recommendations will be responded to by Human Resources.

CHANGE OF EMPLOYEE INFORMATION

Certain items of information are necessary to keep our operation running smoothly, and to maintain complete and accurate records. Employees are requested to notify Human Resources (HR) for any of the following:

1. Change of address or telephone number;
2. Change in marital status or beneficiaries;
3. Change in dependents for withholding tax purposes;
4. Intention to leave employment with Legacy.

EMPLOYEE ACCESS TO PERSONNEL RECORDS

Employees may review their personnel records at a mutually convenient time during regular business hours after receiving permission from their direct supervisor to be absent from their assigned work station. Supervisors are to grant permission upon reasonable notice by the employee. If the employee wishes to do so, he or she should notify HR so that a specific time may be scheduled to answer questions. Any concerns regarding the completeness or accuracy of the information contained in personnel files should be taken up with HR. If the employee disagrees with an item in his or her file, he or she may request in writing that HR corrects or remove the item. If this request is denied, the employee may write his or her

own rebuttal or correction statement, sign and date it, and submit it to HR with a written request to place it in their personnel file.

BENEFITS

It is Legacy's company goal to provide a benefit package that is equal to, or better than, others in our industry. Management periodically reviews and modifies, if appropriate, the benefit package to ensure the best possible benefits are provided within financial considerations.

GROUP INSURANCE PROGRAMS

Employees may be eligible to participate in certain insurance programs. Programs vary according to the position and are explained upon hiring. In some cases, there may be a waiting period before coverage begins. The policy terms also usually limit coverage depending upon the number of hours an employee works. We intend to continue the programs indefinitely, but reserve the right to change or discontinue these plans at any time. If we terminate a program, but do not replace it with comparable benefits, participants will be notified. Please remember that the actual benefits provided and eligibility requirements are determined by the plan documents.

1. **Medical Insurance.** HR will communicate with employees who are eligible for coverage and will inform them of their eligibility date and provide a copy of the current summary plan description.
2. **COBRA Continuation Coverage:** Upon separation, or a reduction of hours resulting in loss of coverage, employees may continue on the medical plan at their own cost. Please see HR for a Summary Plan Description for further information or questions.
3. **Pension, Retirement or Profit Sharing:** Legacy offers a retirement program aimed at making each eligible employee's postemployment years safe and secure. Please see HR for a Summary Plan Description for further information.
4. **Industrial Insurance:** As an employee of Legacy, accepted industrial injuries or occupational diseases are covered by industrial insurance through Washington's State Fund. Legacy and its employees share in the cost of the premium for coverage. Additional information about this program is available from Legacy or the Washington State Department of Labor and Industries.

HOLIDAYS

All actively employed, full-time hourly employees, who have been employed at Legacy for 500 hours will receive 8 hours of pay at their normal hourly rate for the following identified holidays. Part time employees holiday hours of pay will be paid at their normal hourly rate of pay on a pro-rated basis.

We observe the following days as paid holidays:

- ❖ New Year's Day;
- ❖ Memorial Day;
- ❖ Thanksgiving Day; and
- ❖ Christmas Day.

We observe the following days as unpaid holidays:

- ❖ President's Day;
- ❖ Independence Day (July 4, see exception below);
- ❖ Labor Day;

If any holiday falls on a Saturday, the preceding Friday will be recognized as the holiday. If any holiday falls on a Sunday, the following Monday will be recognized as the holiday. In order to receive holiday pay, an employee must have worked the last scheduled workday before and the first scheduled workday after the holiday, unless on approved vacation.

Employees laid off for two consecutive weeks or less will qualify for holiday pay as they are deemed available for scheduled work. If an employee is laid off for more than two consecutive weeks, but has prearranged, excused and paid vacation during the lay off period, they will qualify for holiday pay. If an employee is laid off for more than two consecutive weeks, they may choose to use accrued vacation time to supplement their pay, but it will not qualify them for holiday pay even if the time between the end of paid vacation and the holiday is less than two weeks.

If an hourly employee is required to work on a paid holiday as identified previously, the employee will be paid at their double-time rate for all hours actually worked on the holiday, plus additional hours at their regular rate of pay to make a total of eight hours for the day. If an hourly employee is required to work on an unpaid holiday, except Independence Day, as identified previously, the employee will be paid at their overtime rate for all hours actually worked. Due to the nature of our business, employees required to work on Independence Day will be paid at their normal hourly rate.

If a holiday falls during an employee's approved vacation, the employee will be paid for the holiday rather than vacation. Those who are part-time, or who are on a leave of absence, do not qualify for holiday pay.

Hourly supervisors, office and exempt salaried employees will be paid for all holidays observed above. Salaried employees who are required to work on an observed holiday may bank holiday hours to be used at a different time, but within the same calendar year. Hourly supervisors, office and exempt salaried employees will also receive one personal day to be used at any time during the year, but which is typically used the day after Thanksgiving.

VACATION

Regular, full-time employees will accrue vacation throughout the year based upon hours worked (a full-time employee schedule includes a maximum of 2,080 hours per year) in accordance with the following schedule.

<u>Upon Completion of:</u>	<u>Maximum Vacation Accrual:</u>	<u>Hourly Increment:</u>
1 st year through 2 nd year	5 days	.019231
3 rd year through 9 th year	10 days	.038462
10 th year through 19 th year	15 days	.057692
20 th and future years	20 days	.076923

Eligibility: Regular, full-time employees begin accruing vacation immediately upon employment, but cannot schedule approved vacation time off until 500 hours of employment have passed. Vacation is not accrued during non-work periods such as leaves of absence. Vacation pay will not be included in any calculation of overtime.

Hourly supervisors, office and exempt salaried employees will receive one additional week of vacation in addition to the schedule above. Vacation accrual is not available for part-time, temporary or seasonal, full-time workers.

Scheduled vacations must have prior approval from the employee's supervisor and depends upon the department workload. When possible, vacations will be scheduled at the time requested by the employee, but management's need to ensure proper service and production coverage will control approval. If a conflict occurs between two employees in scheduling vacation, the employee who requested and received approval for the time off first will take preference. If there is a dispute as to vacation time, the CFO will have the final say. The minimum amount of vacation that will be scheduled is in 4 hour increments.

Upon the approval of the CFO or his/her designee, an employee may be allowed up to 16 hours of vacation time that has not been accrued at the time the leave is taken.

If all accrued vacation has been utilized within a year, one week (5 consecutive days) of unpaid vacation may be allowed upon approval of the CFO or his/her designee.

Unless vacation time is previously arranged and approved, the time away from work will be counted towards Legacy's attendance policy.

Benefit Accumulation: Vacation is important to each employee's rest and relaxation. Accordingly, we encourage employees to take their vacation leave each year. In the event the employee is not able to use their accrued vacation, 50% may be carried over to the following year. At no time may more vacation be carried over in excess of that year's accrual.

Vacation pay is allowed in excess of employee's regular 40 hour work week up to 43 hours (due to 4 hour increment rule). The intent of vacation is to provide compensated time off, not to increase overall compensation.

Payment upon Separation: If an employee leaves Legacy after completion of one full year of employment, they will be paid for earned and unused vacation time if the employee has provided a minimum of 2 week's written notice of their departure to their supervisor or manager and are in good standing. Employees terminated for cause, or who do not provide notice, will not be paid for any earned and unused vacation time.

After a separation period of more than six months due to layoff, employees are considered new hires for purposes of determining vacation accrual, holiday pay and other employee benefits. Immediately after separation due to an employee voluntarily leaving (quitting their job) or termination for cause, they will be considered new hires for purposes of determining vacation accrual, holiday pay and other employee benefits should they be rehired in the future. Separation due to an extended, approved leave will be reviewed on a case by case basis.

ATTENDANCE INCENTIVE PROGRAM

In the warehouse, regular, full-time employees that have 16 or less absence hours in the calendar year, and are actively employed at December 31st of each year, will receive one (1) paid day off work. Approved vacation is not included in the 16 hours. This paid day off must be prearranged with the employee's supervisor in the year following the year it was earned and cannot be carried forward to future years. Attendance incentive days off can be used in 4 or 8 hour increments.

LEAVES OF ABSENCE

Personal Leave of Absence:

An employee, after one year of employment, or in good standing, may be granted a leave of absence without pay for compelling personal reasons not covered by one of the other specific leave programs and is dependent upon the written approval of the CEO or CFO or his/her designee. Benefits will not accrue for personal leave of absence that exceeds 30 days. Leaves of absence are granted only after earned vacation is exhausted. Legacy will make reasonable efforts to return the employee to the same or similar job as held prior to the leave of absence, subject to staffing and business requirements.

Employees who leave employment for any reason, and are rehired at any point, will not have any accrued vacation hours reinstated.

Sick Leave: Regular, hourly employees are not granted sick pay, but may use accrued vacation benefits in accordance with the vacation policy. Hourly supervisors, office and exempt salaried employees may be granted 40 hours of sick pay each year. Sick pay may not be carried over from one calendar year to the next and will be paid in 4 hour increments

FMLA Leave: The Federal Family and Medical Leave Act (FMLA) requires employers with 50 or more employees within a 75-mile radius to provide eligible employees with up to 12 weeks (26 weeks for care of an injured service member as described below) of unpaid leave under the following circumstances:

- To care for the employee's child after birth, or placement for adoption or foster care
- To care for the employee's spouse, son, daughter, or parent, who has a serious health condition
- For a serious health condition that makes the employee unable to perform his/her job
- To care for a member of the Armed Forces, including a member of the National Guard or Reserves, who is undergoing medical treatment, recuperation, or therapy is otherwise in outpatient status, or is otherwise on the temporarily disability retired list, for a serious injury or illness.
- The employee's spouse, child, or parent is in the Reserve or National Guard and is called up for or is on active duty in the Armed Forces, and the employees' circumstances justify the need for leave. Please see the Chief Financial Officer with questions regarding eligibility for leave under these circumstances.

To be eligible for FMLA leave, an employee must have been employed with Legacy for at least 12 months and have worked at least 1,250 hours during the 12 months preceding the start date of the leave. The twelve month period that Legacy uses in determining the employee's entitlement to leave is based on the employee's anniversary year based on the employee's date of hire. Please refer to the posted FMLA flyer at each Legacy warehouse or orchard location.

Eligible employee on FMLA leave and the remainder of the FMLA leave time that is not covered by paid leave will be unpaid.

Advance Notice and Medical Certification: The employee shall be required to provide advance leave notice and medical certification. Legacy requires medical certification to support a request for leave because of a serious health condition, and may require a second or third opinion (at the Company's expense) and a fitness for duty report to return to work if the leave is for the employee's own serious health condition. Leave may be denied if requirements are not met. The employee must ordinarily provide thirty (30) days' notice when the leave is foreseeable.

Benefits Eligibility While on FMLA/Medical Leave: For the duration of the approved medical leave, Legacy will maintain the employee's health coverage under the group health plan. The employee will be required to pay for all of his/her portion of medical/dental premiums while on leave and must make payment arrangements with HR. If premiums are not paid, loss of coverage may result. Upon return from leave, employees shall be restored to their original or equivalent position with equivalent pay, benefits and other employment terms. Further details, as appropriate, regarding an employee's return status to the company upon

completion of the leave will be given at the time leave is taken. If status of employment changes during the employee's leave, Legacy will provide at least a two week notice to the employee.

An employee may use any vacation accrued and available during FMLA.

Washington Family Medical Leave (WA FML)

An employee who is eligible for Federal FMLA can also take up to 12 weeks of unpaid leave under the Washington State Family Medical Leave law. Leave under the Washington State Family Medical Leave law runs concurrently with the leave under the federal FMLA.

Pregnancy/Childbirth Leave

Under Washington State law, an employee is eligible to take leave for pregnancy disability before and after childbirth as determined by her healthcare provider. The amount of time off for pregnancy disability is based on the woman's condition and is determined by her healthcare provider.

Other leaves of absence for illness may be granted depending on whether it is determined to be a reasonable accommodation for an ADA/ADAAA qualified disability. All requests will be considered on a case-by-case basis. Time off during approved leave is without pay unless an employee has available vacation or sick days if applicable. The employee will be required to pay for all of her portion of medical/dental premiums while on leave and must make payment arrangements to handle the premiums with the CFO or his/her designee. If premiums are not paid, loss of coverage may result.

Employees who take pregnancy disability leave may, additionally, be entitled to leave pursuant to the federal and state Family and Medical Leave Acts once pregnancy disability leave ends. Following pregnancy disability and the additional FMLA/WFMLA leave, the employee is entitled to return to the same or equivalent position, with equivalent pay, benefits and other employment terms absent business circumstances that would require otherwise.

Military Training and Military Service Leave of Absence/USERRA

We support our servicemen and servicewomen. If an employee is called to active military training as a Reservist or National Guard member, the employee is allowed to take an unpaid leave of absence for the required training time. This is in addition to any accrued annual paid leave that the employee is entitled to receive.

If an employee elects to take paid time off as military duty, the employee will receive both paid time off and military pay.

If called to active military duty, an employee is entitled under the Uniformed Services Employment and Reemployment Rights Act (USERRA) to reinstatement to an available

position of like seniority, status, pay, and benefits that would have been attained had the employee not served in the uniform service, subject to meeting USERRA requirements.

While on active military leave, an employee has the right to elect, at his/her own expense, to continue existing medical and dental coverage for himself/herself and any eligible dependents currently enrolled, for up to 24 months. The employee must notify HR.

Leaves for Spouses Deployed Military Personnel

An employee is allowed up to fifteen days of unpaid leave per deployment when his/her spouse is a member of the United States armed forces, national guard, or reserves who has been notified of an impending call or order to active duty, or has been deployed, or when the military spouse is on leave from deployment. Additional unpaid leave may be available for eligible employees under the FMLA; please refer questions to HR

Domestic Violence, Sexual Assault and Stalking Leave: An employee may be allowed to take unpaid leave in order to resolve a domestic violence situation against him/herself or a family member. If you have any questions or need assistance, please contact your supervisor. If you are unable to provide advance notice of the need for this type of leave, you must notify HR by the end of the first day in which leave is needed. Please see HR for further information.

COMPANY PROPERTY AND FACILITIES

INTERNAL COMMUNICATIONS

Legacy wants employees to be well informed concerning their workplace, safety rules, new developments or changes in policies or rights under state and/or federal law. General distribution memos, payroll memo slips, electronic mail, voicemail and newsletters may be used interchangeably for rapid dissemination of information.

Bulletin boards are another official means of communicating information. As a general rule, only those notices that are of general importance or interest will be posted. Such postings are used to communicate announcements required by law, official safety information and other employer notices. Please check these boards frequently, as employees are required to be aware of their posted contents. Any item posted on a bulletin board must first be approved by management.

The public address system is used primarily for paging, but it can also be used for messages or important announcements relating to organizational business.

TELECOMMUNICATIONS SYSTEMS

Legacy owns and maintains various systems, including but not limited to computer hardware, software, Internet and electronic mail (e-mail) access, an office based telephone system, and a facsimile system to assist in the conduct of business within and by the employer. Accordingly, employees are not permitted to make or receive personal telephone calls or

messages during working hours, unless there is an emergency. All necessary personal communications should be made during break periods or the lunch break whenever possible. No personal long distance or toll telephone calls are to be charged to LEGACY. Where excessive personal use of company telephones is identified, employees will be required to make arrangements for the repayment of these costs.

All information stored on Legacy's systems, including but not limited to computers, networks, voice mail, e-mail and telephone records, is considered property of the company. Generally, computer passwords should not be used; if they are, all computer passwords must be provided to Legacy for safekeeping. Legacy reserves the right to access, audit, review, copy, disclose, and delete any messages sent, received or stored on these systems for any purpose and to disclose this information to any party, inside or outside the business that it deems appropriate without prior notice. Even voice mail or e-mail messages deleted or erased by an employee may not be permanently deleted from Legacy's systems, and the employer retains the right to access them for so long as the information may be obtained from any source. Based on this fact, employees have no expectation of privacy in these systems and are urged not to use them for messages they would not want reviewed by others.

The telecommunications systems may not be used to solicit, recruit, or seek involvement for commercial ventures, religious, political, or charitable causes, outside companies, or other non-job related solicitations. These systems may not be used to create, view, access, transmit, download, display, print, or store offensive, threatening, or disruptive messages. Among the messages that are considered offensive are any messages containing sexually explicit or obscene language or content or containing language or content prohibited by Legacy's unlawful harassment policy. These systems may not be used to threaten harm against any person or property or to criminally harass or stalk any individual. These systems are not to be utilized to generate chain letters, to post messages to multiple list servers, or for recreational game playing. Further, these systems are not to be used for the transfer of copyrighted materials, trade secrets, confidential information, or other proprietary information without prior authorization.

Authorized employees shall have immediate access to the Internet. They may designate someone else, in special circumstances, to have access for business purposes only. By using the Internet access provided, every employee agrees he/she is aware of the policy and that the Internet records may be read or monitored by authorized individuals.

Any employee in violation of this policy may be subject to disciplinary action, up to and including immediate termination of employment.

CELL PHONES & OTHER TELECOMMUNICATION DEVICES

Personal cell phones are not allowed in production areas during working hours. Employees may use personal cell telephones or other telecommunication devices outside of production areas while on break, but only to the extent such activity does not interfere with safety or

morale. If an employee has a sick child or similar situation where they expect to receive calls during production periods, they must notify their supervisor immediately or prior to receiving any calls. Cell phones used during working hours, outside of breaks, will be confiscated and returned at the end of the work day. Similarly, headphones and other devices are prohibited. Some positions may require the use of cell phones. Employees in these positions will be notified of the requirement.

In the orchard environment, food safety requirements mandate that hands be washed after coming in contact with personal cell phones.

Cell phones and other devices may not be used to create, view, access, transmit, download, display, print, or store offensive, threatening, or disruptive messages while on company premises or while in the course of employment. They may not be used for the recording of pictures of company facilities or work product or employees without the appropriate party's prior approval, nor the transfer of same, or of copyrighted materials, trade secrets, confidential information, or other proprietary information of this company or those we serve at any time.

Any employee in violation of this policy may be subject to disciplinary action, up to and including immediate termination of employment.

EMPLOYEE PARKING

Employee parking spaces are provided in designated parking lots. General parking for employees in these parking spaces may or may not be on a first-come, first-serve basis. Assigned parking, if provided, will be assigned at the time of hire, or thereafter, at the discretion of Legacy management. A number of parking spaces are reserved for visitors and those disabled. Employees are requested to park only in the spaces provided for employees to ensure ample parking for visitors. Employees are reminded to lock their cars while parked in the lot. Legacy does not assume responsibility for vehicles or their contents in parking areas.

VISITORS

All nonemployees, including family members, MUST FIRST sign in at the main office then wait until the party they need to see is called to the office. See also the policy as stated on the sign in log.

SMOKING/TOBACCO USE

Smoking and other forms of tobacco use by employees is permitted only during rest or meal periods and only in the outside areas designated at least 25 feet from any window, door, or air vent into the employer's building or any other. In the interest of safety, this policy is strictly enforced and violations may result in discipline, up to and including immediate termination of employment.

In addition, for food safety concerns, smoking and tobacco is strictly prohibited in all company orchards.

LUNCHROOM

At the warehouse location, employee lunchrooms have been provided as well as vending machines providing snacks and beverages. Please report any malfunctions of the vending machines to your supervisor. Employees are expected to keep all food items needing refrigeration in the refrigerators provided, and to remove their items before they go bad. Employees are expected to treat microwaves, ovens and related equipment respectfully including, but not limited to, keeping them clean for the next persons use and shutting them off when not in use.

HOUSING

At various orchard locations, employee housing has been provided. Please report any issues with the housing, or its furnishings, to your supervisor. Employees utilizing housing and related furnishings are expected to keep them clean and available for future use. More specific detailed requirements are posted in provided housing units.

PERSONAL MAIL AND COPYING

Employees may not use Legacy's stationary and envelopes for personal mail. The postage meter and copy machines are not for personal use.

LOCKERS/PERSONAL POSSESSIONS AND EQUIPMENT

Legacy may furnish lockers for the security of employee coats, purses and other personal possessions. Employees provide their own locks. Legacy does not assume responsibility for any theft or damage to the personal belongings of employees. Legacy reserves the right to search these lockers and any company premises or property at any time.

Certain job assignments require that employees provide personal equipment such as small tools. If an employee is required to furnish any items, his or her supervisor will give the employee a list of the items needed. When not in use, personal tools should be locked in a locker or storage facility. It is the responsibility of the employee to maintain security. Legacy will replace broken tools only, not stolen tools.

At no time is the personal use of Legacy equipment or supplies allowed without specific prior approval from a supervisor or manager.

VEHICLES

The use of a company vehicle is an employee benefit given to certain individuals to best enable them to fulfill the duties of their jobs. This benefit can be revoked at any time. We cannot list rules to cover every situation and employees are expected to use good judgment with respect to the use of all company vehicles.

Driving records: We encourage employees to drive safely on company time as well as personal time. We require all personnel who drive for the company to carry and possess a current Washington state valid driver's license and:

1. Abide by all traffic laws;
2. Heed all traffic signs and signals;
3. Practice defensive driving;
4. Maintain good driving records, and as applicable,
5. Maintain a valid CDL and other endorsements when required by law; and
6. Notify Legacy immediately of any change in license status; and
7. Notify Legacy immediately upon any accident, injury, property damage or traffic violation involving an assigned company vehicle.

The employee's driving is a direct reflection on the employee and the company. Our insurance company may not allow you to drive a company vehicle or drive your own vehicle while on company business if you have a poor driving record. Legacy's insurance rates are highly affected by your driving record.

Legacy considers an acceptable driving record to be no more than 2 serious violations within the last 3 years. The seriousness will be determined by Legacy. We do not differentiate between violations occurring during working and nonworking hours, or whether the violation occurred prior to employment with the company. The employee is responsible for any fines or other penalties assessed against them unless caused by Legacy.

Tickets: Legacy expects that all tickets for moving violations issued to an individual in a company vehicle, which are not directly related to an express directive from the company to behave in such a manner as to incur the specific violation, nor can be traced to any failure of the vehicle itself or its legally attached equipment, are the sole responsibility of and will be paid by the person incurring the citation. Receiving a Driving While Intoxicated (DWI) or Driving Under the Influence (DUI) violation in a company vehicle or on company time may lead to immediate termination of employment.

Reporting vehicle accidents and injuries: All work related vehicle accidents and injuries need to be reported to the supervisor within one hour of their occurrence. It is the policy of the company that all employees submit to drug and alcohol testing after an on-the-job accident or injury in a vehicle related incident. If, after thorough yet swift investigation by Legacy management, the accident or injury is not deemed caused by the employee, drug and alcohol testing may not be required.

Seat belts: It is a state law and a company policy that seat belts must be worn at all times.

Security: During daily use, unattended company vehicles must be locked at all times to prevent theft of company property. Theft of personal equipment and other personal items left in the employee's assigned company vehicle during or after working hours is the responsibility of the employee and his/her own insurance company. Unless otherwise authorized, all company owned vehicles are to be locked on company property overnight.

Personal use: Personal use of company vehicles is strictly prohibited without prior authorization from the employee's supervisor. The employee will be charged for any miles driven for non-business-related purposes.

Passengers: Employee passengers are allowed if they are to help the driver with a specific task that is preapproved. Only those assigned the vehicle are to drive, except in emergencies. Nonemployee passengers are prohibited from riding in company vehicles unless preapproved.

Maintenance: It is company policy that employees maintain their assigned vehicle as if it were their own including ensuring it is equipped with proof of insurance and current registration. Employees are responsible to immediately notify their supervisor and the maintenance department of any equipment or maintenance problem.

H2A vans and buses used in orchard operations carry additional requirements; drivers will be trained when they begin driving duties.

Smoking is not permitted in any company vehicle. Pursuant to state law, use of nonhands-free cell phones, including texting, is prohibited.

EMPLOYEE PERFORMANCE

DISPUTE RESOLUTION AND TEAM COMMUNICATION

Legacy believes in an open door communication policy. Employees are encouraged to first discuss any questions, problems, or concerns with their immediate supervisor. Every reasonable effort will be made to resolve any issues at that level.

The supervisor will respond to the employee's presented issue in a timely manner. If the issue cannot be resolved, either party may continue up the chain of command which would generally include 1) the department manager, 2) Human Resources, 3) the CEO and/or CFO. If necessary, a member of upper management will provide a written response to the employee within a reasonable time period.

If there is any reason an employee feels he or she cannot bring a concern directly to his or her supervisor, or the person involved, the chain of command above should be followed.

As a final measure, the issue may be taken to the CEO and/or CFO. The issue must be fully expressed in writing; and will be reviewed as to all of the facts with the issues. The CEO's and/or CFO's decision is final and binding on all concerned.

Remember—do not keep questions, problems or concerns to yourself. We cannot solve these issues if we do not know they exist. Please feel free to communicate without fear of reprisal.

PERSONAL APPEARANCE

Public perceptions about the company can help us succeed and prosper or contribute to a loss of business. Perceptions are formed, fairly or not, partly by the outward appearance and dress of our employees. A neat and clean personal appearance is essential to food safety, our public perception and your own advancement. Employees will receive additional information regarding food safety hygiene practices at the time of hire.

Employees should wear clothing appropriate to each job. The dress code may be more stringent where there is higher public contact or in production areas. Hair length and jewelry standards may differ for men and women in keeping with recognized legal standards. Employees are expected to come to work with clean nails, teeth, hair, shoes, body and clothes. Just as the cleanliness of our facility is of the utmost importance, so is each employee's personal appearance. The supervisor has the authority to determine what is acceptable.

In addition to cleanliness, as a general rule, the following should be adhered to regardless of the department or job function:

1. Short pants, capris and skirts must not be higher than 2" above the knee,
2. Sleeveless tops must have straps of at least 2" in width,
3. Garments that reveal a person's cleavage or midriff (stomach or back), when standing or bending, are not allowed, and
4. Clothing that reveal a person's undergarments (ex. underwear or bra straps) are not allowed.

Employees who are inappropriately dressed or unclean will be sent home without pay and directed to return to work in proper attire. This policy is a general guideline on dress and grooming standards. Please ask your supervisor for additional specific dress standards for a particular area.

ATTENDANCE AND TARDINESS

Regular attendance and punctuality are essential functions of any position with LEGACY. In order to serve our customers and provide for efficient operations, employees must be at work. Furthermore, regular attendance and punctuality show respect for fellow employees who must do the job in an employee's absence.

It is necessary for all employees to report to work regularly and on time. If an employee will be unable to report to work or will be late, they must let their supervisors know as soon as they know they will be absent or tardy and always before their scheduled shift begins. Communication must be made by telephone or in person. If your supervisor is unavailable, contact HR or ensure that you speak to someone. Do not just leave a message for office personnel. The absence will be considered "excused" if the supervisor grants permission for the employee to be absent.

Employees are expected to have a good and valid reason for being absent. Unexcused and/or unreported absence, or an unreasonable record of absenteeism, will be considered sufficient cause for disciplinary action according to the company's absentee policy which is as follows:

Excused absence: The supervisor must have given prior permission for the absence. After all vacation is exhausted, employees are allowed a maximum of 80 hours per calendar year for unpaid, excused absences. Employees who exceed 80 hours may be subject to disciplinary action up to and including termination of employment. Time missed will be counted towards the 80-hour maximum in increments of ¼ hours.

An absence that extends three consecutive days or longer will be counted as two days (16 hours) absent to accommodate extended illness and injuries. In situations of this type, the employee is expected to check in with the supervisor each day to keep the company informed of his/her progress. Following absences of three consecutive days, the employee may be required to provide medical documentation.

Time missed for jury duty, military reserve, vacation or authorized leaves of absence will be counted as an excused absence, not subject to the 80 hour rule.

Unexcused absence: An unexcused absence occurs when an employee did not receive prior permission for the absence and/or did not give notification before the shift began. Unexcused absences are cause for disciplinary action up to, and including, termination.

Any employee who fails to report for work or call in for two days in a row will be deemed to have abandoned his or her job and their employment will be terminated.

Employees who terminate and are rehired within 60 days will have any absentee hours missed during the current calendar year reinstated. Employees who are rehired after having been away from the company more than 60 days will start over with no absentee hours.

Tardies: Arrival at an employee's work station after the production line is in progress or the work day has begun, without prior notification to the supervisor.

Employees are expected to report to work in sufficient time to be ready to start work promptly at the beginning of the shift. If they must be late in reporting for work, they are expected to notify their supervisor prior to the beginning of the shift. Employees, who establish a pattern of perpetual or excessive lateness to work, even when notification has been made to the supervisor, may be subject to disciplinary action, up to and including, termination.

Three (3) tardies within a three month period may result in a written reprimand. Three reprimands (9 total tardies) within a calendar year may be a cause for discipline, up to and including, termination.

STANDARDS OF CONDUCT AND DISCIPLINE

Many individuals and companies rely on the quality and reliability of our processes and employees. Thus, all employees are expected to provide excellent and reliable performance. Any failure to meet this high standard serves as a basis for concern and/or discipline, up to and including immediate termination of employment.

It is the intent of Legacy to employ coaching techniques and clear communication about what is expected so that issues of discipline never arise. In some circumstances, however, discipline may be warranted. While Legacy has a progressive discipline policy, its use is at the discretion of management. Any disciplinary consequences, up to and including immediate termination may be employed. Unless specifically covered under separate contract such as for H2A employees, the employment relationship is at will, and may be ended at any time, with or without notice, and with or without cause.

As is noted above, disciplinary concerns arise where performance falls below expected standards. Additionally, such concerns arise where behavior violates the law or company rules and policies. By way of example and not limitation, the following conduct is strictly prohibited:

- ❖ Failure or refusal to carry out legitimate job assignments and management requests (insubordination);
- ❖ Unauthorized release of private and/or confidential information;
- ❖ Swearing or verbal abuse while on Legacy premises or carrying out job duties;
- ❖ Falsification of any work, personnel timecards, or other records;
- ❖ Removal of property without permission;
- ❖ Unauthorized taking of funds or property or unauthorized charges against an account;
- ❖ Dishonesty;
- ❖ Discrimination against or harassment of coworkers;
- ❖ Possession, consumption or being under the influence of alcohol or a controlled substance at work or on our premises;
- ❖ Deliberate damage to property;
- ❖ Altercations, fighting or threatening to fight with another;
- ❖ Participation in a business directly competing with Legacy;

- ❖ Carrying firearms or weapons unless for specific security purposes by preauthorized employees;
- ❖ Carrying unauthorized passengers in company owned vehicles or on forklifts;
- ❖ Excessive absenteeism or tardiness in reporting to work or returning from rest periods or meal periods;
- ❖ Failure to report an absence in accordance with the absenteeism policy;
- ❖ Failure to comply with safety or security rules and procedures;
- ❖ Carelessness or negligence in the performance of an assigned duty or in the care and use of company property;
- ❖ Sleeping on the job; and/or
- ❖ Other violations of specific policies.

REASONABLE ACCOMMODATION

Legacy is committed to the fair and equal employment of individuals with disabilities. It is Legacy's policy to reasonably accommodate qualified individuals with disabilities unless the accommodation would impose an undue hardship on the company.

In accordance with the American with Disabilities Act (ADA) as amended, reasonable accommodation will be provided to qualified individuals with disabilities when such accommodations are necessary to enable such individuals to perform the essential functions of their jobs, or to enjoy the equal benefits and privileges of employment.

****This policy applies to all applicants for employment as well as employees.***

Requesting a Reasonable Accommodation

An employee with a disability is responsible for requesting an accommodation from his/her immediate supervisor and providing medical documentation regarding the disability when requested. Once medical documentation is received, management will work with the employee to identify possible reasonable accommodations to assess the effectiveness of each in allowing the employee to perform the essential functions of the job, or to enjoy the same benefits and privileges of employment as similarly situated employees without disabilities.

Based on this interactive process, a reasonable accommodation will be selected that is most appropriate for both Legacy and the individual employee. While an employee's individual

preference will be considered, Legacy is free to choose between equally effective accommodations with consideration toward expense and impact on the rest of the company.

A request for reasonable accommodation may be denied if it would create an undue hardship for Legacy. Factors to be considered when determining whether an undue hardship exists include the cost of the accommodation, the Company's overall financial resources, the total number of Legacy employees, and our industry.

****All information obtained concerning the medical condition or history of an applicant or employee will be treated as confidential information, maintained in separate medical files, and disclosed only as permitted by law.***

CONFLICT OF INTEREST/MOONLIGHTING

All employees should avoid situations that might cause their interests to conflict with those of Legacy or might compromise our integrity and reputation. A conflict, or the appearance of one, occurs when an employee or an immediate family member use the employee's position with this employer for personal benefit through an investment, association or business relationship that interferes with the ability to exercise independent judgment on behalf of this company. An example would be having a financial interest in or moonlighting with, any company or enterprise that is a customer, supplier or competitor of the employer.

Each employee shall avoid conflicts of interest and otherwise fully disclose to management any potential or actual conflicts of interest, if such conflicts cannot be avoided, so that such conflicts can be dealt with in the best interest of Legacy.

Employees are required to report to management any additional employment so that management can identify any potential conflicts of interest.

DRUG-FREE WORKPLACE

Legacy is committed to providing a safe and healthy work environment free from illegal drug and alcohol use as well as impairment from otherwise legal over the counter prescription drugs.

Employees must not report to work or enter company property under the influence of, or having used, illegal drugs, alcohol or other controlled substances. Employees are prohibited from their use, possession or sales while on duty or on company property. For the purposes of this policy, illegal drugs include all substances that are illegal under federal, state, or local law, including marijuana.

Legacy will use drug and alcohol testing to help administer this policy. All drug and alcohol testing conforms to federal and state laws.

Pre-Employment Testing - All final applicants for employment at Legacy must undergo drug/alcohol testing at the applicant's expense. If the applicant successfully passes their

drug test, they will be reimbursed at the time of hire. Drug testing must be performed prior to when an applicant can begin employment with Legacy and must be completed within 30 minutes of offer of employment. Pre-employment testing may not be conducted for casual, temporary or seasonal employees working in orchard locations.

Reasonable Suspicion Testing - Employees will be subject to drug and alcohol testing for reasonable suspicion of drug or alcohol use.

Post-Accident Testing - Employees involved in a workplace accident will be required to submit a drug and alcohol test immediately following the accident. If, after thorough yet swift investigation by Legacy management, the accident or injury is not deemed caused by the employee, drug and alcohol testing may not be required.

Random Drug Testing - Legacy has implemented random drug testing procedures that are administered by a third party. All regular salary and hourly employees, whether full-time or part-time, at both the warehouse and orchard locations, may be included in a random selection at regular intervals (typically monthly). Due to the nature of a random selection, it is possible for an employee to be chosen multiple times over a period of time. Employees selected will be asked to timely submit (the same day notified) to a drug and alcohol test according to third party instructions. Random drug testing may not include casual, temporary or seasonal employees working in orchard locations.

In the event that reasonable suspicion, post-accident, or random drug test results in a positive outcome for an employee, and based on facts and circumstances, the employee may be offered an opportunity to demonstrate they are willing to comply with Legacy's drug free workplace policy through a "Last Chance Agreement" that will be provided by Human Resources (HR).

Refusal to cooperate in any way with the drug-free workplace policy may be grounds for disciplinary action, up to and including termination of employment.

UNLAWFUL DISCRIMINATION AND HARASSMENT

It is the policy of Legacy to provide our employees a working environment in which their individual dignity is respected. The harassment of employees because of their race, sex, national origin, age, religion, disability or health condition, veteran status, or any other class of worker, as protected by federal or state law is strictly prohibited. This applies to any employee, lead person, supervisor, manager, director or outside third party with whom employees must deal in performing their work:

Sexual Harassment may consist of, but is not limited to:

- Sexual advances or teasing
- Telling of sexually oriented jokes or stories
- Requests for sexual activity or dates

- Display or distribution of suggestive jokes, pictures or other materials
- Using electronic mail, phone or texting for romantic or suggestive communication
- Suggestive or obscene gestures, including physical posturing or contact
- Any abusive language or conduct directed at someone because of the person's sex.

Other Prohibited Harassment may include any of the following actions when such action involves reference to, or is directed at, someone's race, ethnic background, sexual orientation, national origin, age, religion, disability or medical condition:

- Telling jokes, teasing, derogatory remarks
- Circulating writings, printed material or cartoons
- Displaying of offensive objects or symbols

Such activity, especially if severe or repeated and unwelcome, is a violation of anti-discrimination laws and perhaps other laws which can result in law suits against the employee as well as against Legacy. Therefore it is our policy that if any of this conduct is engaged in at any time or at any place by any employee, whether on or off our premises, can result in prompt disciplinary action against the employee, up to and including termination of employment.

If you feel that a violation of this policy has occurred, please report it, promptly and in a confidential manner, pursuant to the internal complaint procedure. You may skip steps in the process if you feel that the person responsible for that step is involved in the offensive conduct.

All investigation of all complaints will be undertaken immediately by the CFO and the Chief Executive Officer and or a representative. The findings will be kept confidential to the extent possible, while allowing the investigation to proceed. The employee will be kept informed of any progress of any investigation and disciplinary action taken and protected from any retaliation. The employee will be asked to refrain from discussing the complaint with employees or others outside the investigative process so as to avoid any possibility of defamation charges. Any corrective action taken will be sufficient to immediately stop the conduct and prevent any future harassment.

Any form of retaliation, including but not limited to derogatory comments, against individuals making harassment complaints, witnesses or any other involved employees, is against Legacy policy and is strictly prohibited. Retaliatory activities will be treated as a separate violation of this policy and subject the employee to the same disciplinary consequences, up to and including termination of employment.

WORK PLACE VIOLENCE

Legacy's policy is to strive to maintain a work environment free from violence, threats of violence, harassment, intimidation and other disruptive behaviors. This includes, but is not

limited to, intimidating, threatening or hostile behaviors, physical abuse, vandalism, arson, sabotage, use of weapons of any kind on company property, or any other act determined by management to be inappropriate. In addition, jokes or offensive comments regarding violent events will not be tolerated. Anyone engaging such conduct will be subject to swift discipline, up to and including termination of employment.

All employees should be treated with courtesy and respect at all times. Employees are expected to refrain from activities or conduct that may be dangerous to others. Firearms, weapons and other dangerous or hazardous devices are not to be allowed on the premises of Legacy.

Employees who feel they have been subjected to any of the behaviors listed above are requested to immediately report the incident to their supervisor or HR. Threats or assaults that require immediate attention should be reported to the police calling 911.

When a violent or dangerous situation arises, employees are to remain calm and not act in any way that would jeopardize their own safety or the safety of others. When dealing with an urgent violent situation, especially if weapons are present, withdraw from the scene, if possible, and call 911 immediately.

In all cases, after 911 is called if necessary, a person in management should be notified immediately.

All complaints will be investigated, and based on the results, disciplinary action will be taken. Based on findings, if complaints or allegations are proven to be false or intentionally misleading, disciplinary action may be taken against the accuser.

EMPLOYEE STATUS CHANGE & SEPARATION

TRANSFERS AND PROMOTIONS

It is the goal of the company to make advancements or promotions to better-paying positions from within whenever possible. Promotions depend on an individual's record of service with the company, demonstrated ability, past training, initiative and attendance. These things being equal, an employee with the greatest length of continuous employment may be given preference for promotion.

Promotional opportunities within production operations will be posted on employee bulletin boards. Employees who wish to be considered for a position should obtain an application form from their supervisor or Human Resources.

Legacy reserves the right to determine relative qualifications for a posted position or to hire from outside the company rather than promote from within. Management may also initiate transfers to allow for a broad range of skills across the company and to enhance individual versatility.

If an existing employee is selected to fill a vacant position, they will be subject to an initial 500 hour performance evaluation period as if they were a new employee, after which a final decision will be made regarding continued placement in the position. If, during the evaluation period, the company decides the employee is unable to perform adequately, or the employee decides he/she does not want the new position, the employee may be returned to the former position with no penalty, or other appropriate action will be taken as circumstances warrant at that time.

SEPARATION

It is understood that the employment relationship is at will and can be terminated, with or without cause, at any time by either party unless a separate, written contract is in force. No employee, manager or supervisor has the right to change this relationship or to make a contract binding on the company.

Employees who have resigned their employment with proper notice, or were laid off, are eligible for rehire based on the same terms and conditions as other applicants.

1. **Voluntary Resignation:** If an employee voluntarily intends to end his or her employment, we hope that non-supervisory employees will give at least two weeks' notice to their supervisor (Management and supervisory employees are expected to provide at least two weeks' written notice). Failure to provide two weeks' notice, will lead to the employee's vacation not being paid upon separation of employment.
2. **Layoffs:** There are certain times when it may become necessary to lay-off employees as a result of changing business conditions (such as reorganization resulting in the elimination or modification of a job or changes in job functions or technology). If we determine that a reduction in force becomes necessary or appropriate, we will make every reasonable effort to give advance notice.

Employees informed that they are to be laid off may seek transfers, promotions, or apply for Legacy vacant positions.

3. **Involuntary Discharge:** If, for any reason, employment is terminated for cause, the employee will be required to leave Legacy premises immediately and return company property. As part of the new hire process at Legacy, each new employee completes a payroll authorization form which allows Legacy to withhold monies from a paycheck. If an employee separates employment with Legacy, Legacy reserves the right to deduct the cost of any company property taken by the employee from the employee's final paycheck.

EXIT INTERVIEWS

Legacy will try to conduct an exit interview with all employees separating from employment. The purpose of this interview includes: ensuring the return of all company property; reviewing financial arrangements, including the amount of the final paycheck, any severance

pay, pay out accrued vacation; reviewing the reasons for the separation; and obtaining the employee's input and suggestions for improvement. The employee will be informed of any rights to continued benefits coverage at this time. Unless other arrangements have been made for earlier payment, the employee's final paycheck will be available on the next regularly scheduled pay day following separation.

SAFETY AND SECURITY

Security is an important concern for all employees. When leaving the premises at the conclusion of your workday, check your work area for open windows, lights left on, running machinery, coffee makers left on and any other potential hazards.

UNAUTHORIZED PERSONNEL

Personnel on duty should make every effort to be aware of strangers on the premises. Anyone who notices an unfamiliar or unauthorized person on the premises should contact the supervisor in charge. (Refer to our policy regarding solicitation by outsiders.) Off-duty employees are not to be on the premises, other than public areas except for official business or picking up paychecks on off-duty days.

SELLING AND SOLICITATION

All employees are to observe the following rules and report violations to their supervisors:

1. Except for legitimate business purposes and with prior authorization, individuals not employed by Legacy may not at any time solicit, survey, petition, post or distribute literature on any company property. This policy includes charity solicitors, salespersons, questionnaire surveyors, union organizers or any other solicitor or distributor.
2. Employees may not solicit for any purpose during work time. Work time includes that time for which the employee is paid and expected to be performing services for the employer. Work time includes both the soliciting and/or the solicited employee's work time. Reasonable forms of solicitation are permitted during non-work time, such as before or after work or during meal or break period, in non-work areas. Items being solicited must be approved by the supervisor/manager. Employees may not distribute literature for any purpose during work time or in any work areas. The employee lunchroom is a non-work area. The employer's telecommunications systems may not be used to solicit or proselytize for commercial ventures, religious, political, or charitable causes, outside companies, or other non-job related purposes .

SAFETY, ACCIDENTS and ACCIDENT REPORTS

Legacy has carefully tailored safety policies to the needs of our workplace related to accident prevention, evacuation and emergency response and any hazards related to machinery, materials, or processes and provide safety orientation and training for all employees. For specific questions please ask your supervisor for guidance.

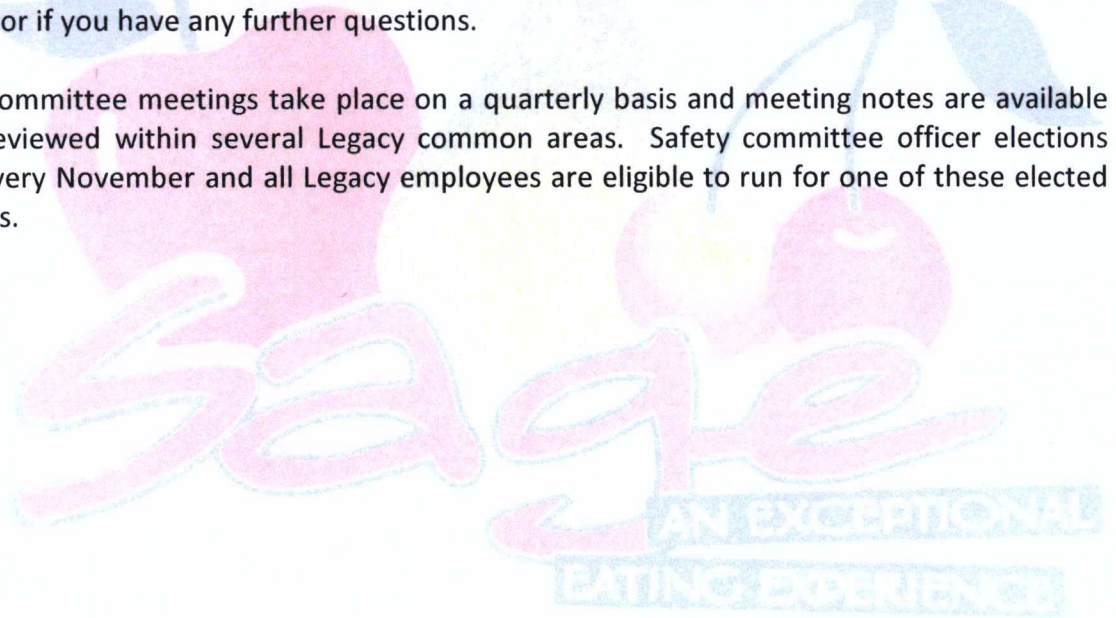
Basic guidelines: Legacy employees are to cooperate in helping promote safety and to prevent accidents to themselves as well as to other employees, customers and visitors by observing all applicable state and federal regulations and all company rules. Please refer to separate safety materials for more specific information. Basic guidelines include:

1. Report all unsafe or potentially hazardous conditions to the supervisor immediately, as well as all accidents and injuries, no matter how slight. The Supervisor Accident Report should be completed immediately following the incident or as soon as possible with your immediate supervisor.
2. Employees are not allowed to run, operate, repair or adjust equipment unless properly trained and authorized by the supervisor. This applies to new employees as well as employees who are transferred to new positions.
3. Employees not properly trained and authorized will not remove, alter or disengage safety devices, controls or guards on equipment.
4. Company safety hazard warning signs are to be obeyed on company property. Areas not formally designated as production areas are not to be used by production personnel. Only authorized personnel are allowed in restricted areas such as those posted "authorized personnel only".
5. Employees operating machinery are responsible for maintaining safe operations at all times. No machine is to be started or operated before all tools, equipment and other personnel is clear.
6. For safety reasons, guidelines regarding clothing, etc. in production facilities have been established as follows (See food safety hygiene rules for more information regarding hair and clothing in production areas):
 - a. Long hair must be tied back or tucked under a hat. See food safety hygiene rules for more information regarding hair and clothing in production areas.
 - b. Loose clothing and jewelry that could be caught in machinery or create other hazards are prohibited.
 - c. Sleeves should be no longer than the wrist.
 - d. Jewelry is prohibited; mechanics should not wear even a wedding band while working.
 - e. Proper footwear is a must; flip-flops, scuffs and open-toed shoes are not allowed in production areas. Open toed shoes are permissible in office areas.
 - f. Short pants that are hemmed (no cut-offs) may be worn in warm weather.
 - g. Shirts are required at all times.
7. Activities that interfere with anyone's job performance and safety will not be allowed.

8. Production employees are to use proper, safe lifting methods at all times. Appropriate methods can be found on Labor and Industries posters on the bulletin boards.
9. Machinery is to be stopped and brought to a complete standstill before any repairs are made or material removed, unless it is required to be running in order to perform the work, in which case, only those properly trained and authorized are to do so. Any persons performing such operation are responsible for ensuring that sources of energy are "locked out" or otherwise monitored to prevent accidentally starting.
10. Caution must be exercised around machinery and equipment at all times. Horseplay, throwing objects and running in the plant are prohibited. Conveyor lines should always be crossed by using the gates provided.

Legacy's Accident Prevention Program provides greater detail and all employees should learn the safety policies. A violation of a safety precaution is in itself an unsafe act. A safety violation may lead to disciplinary action, up to and including termination. Please see your supervisor if you have any further questions.

Safety committee meetings take place on a quarterly basis and meeting notes are available to be reviewed within several Legacy common areas. Safety committee officer elections occur every November and all Legacy employees are eligible to run for one of these elected positions.



EMPLOYEE ACKNOWLEDGEMENT

ACKNOWLEDGEMENT OF RECEIPT AND UNDERSTANDING OF EMPLOYEE HANDBOOK

I acknowledge that I have received a copy of the Legacy handbook that provides guidelines on the policies, procedures, and programs affecting my employment with the organization. I understand Legacy can, at its sole discretion, modify, eliminate, revise, or deviate from the guidelines and information in this handbook as circumstances or situations warrant.

I also understand that any changes made by Legacy with respect to its policies, procedures, or programs can supersede, modify, or eliminate any of the policies, procedures, or programs outlined in this handbook. I accept responsibility for familiarizing myself with the information in this handbook and will seek verification or clarification of its terms or guidance where necessary.

Furthermore, I acknowledge that this handbook is neither a contract of employment nor a legal document and nothing in this handbook creates an express or implied contract of employment. I understand that my employment is "at will" and can be terminated by the organization or myself at any time within the legal boundaries set by federal and state law.

I understand that I should consult Human Resources or the CFO or CEO if I have any questions that are not answered in this handbook.

(Employee Signature)

(Print Name)

Date of Signature: _____